

Meeting of the Chicago Transit Authority Retiree Health Care Trust
September 20, 2012

Meeting Minutes

A meeting of the Board of Trustees of the Chicago Transit Authority Retiree Health Care Trust (“RHCT”) was held on September 20, 2012 at One North Franklin Street, on the 27th Floor. The Chair and Executive Director were present.

A roll call was taken. The following members were present:

Joan Coogan, Chair
Carlos Acevedo as an alternate for Joseph Pass
Joseph J. Burke
Christopher Kasmer
Robert Kelly
Paul Sidrys
Larry Owens

James O’Connell was present as General Counsel for the Trust. Anita Tanay of Jacobs, Burns, Orlove & Hernandez was present on behalf of the Union appointed Trustees. Present on behalf of the Regional Transit Authority appointed Trustee was John Doerrer. James Daley of Schuyler Roche & Crisham was present on behalf of the CTA Trustees. Also present were Christopher Heppner and Ruth Donahue of The Segal Company, and Kenneth Yu of Mitchell Titus.

On a motion by Mr. Kelly, seconded by Mr. Acevedo, the Board approved the proposed minutes for August, 2012.

Administrative Subcommittee

On a motion by Mr. Kasmer, seconded by Mr. Acevedo, the Board approved the payment of the General Administration Subcommittee bills submitted.

Investment Subcommittee

The Investment Subcommittee did not have a report for September.

Old Business

Ms. Donahue reviewed with the Trustees Segal’s Plan Design Recommendation for 2013. Aside from indexing the co-pays, out-of-pocket maximums, and deductibles, which the

Board approved last month, she explained that Segal is not recommending any changes for 2013.

Ms. Donahue also summarized the renewals from the vendors to the RHCT, and the corresponding changes that might be made to the contribution premiums based on the renewals, based on the Board's previous schedule of the ratio of premium to cost for the different groups in the Plan. The Trustees reviewed a chart of these potential changes, and asked Segal to develop a different chart, with no increases to premium contributions for Medicare-eligible participants, and no decreases to premium contributions for the groups that would otherwise have decreases.

Ms. Donahue directed the Trustees' attention to a letter containing Segal's calculation of the maximum allowable COBRA rates. On motion by Mr. Sidrys, seconded by Mr. Kasmer, the Board approved the COBRA rates as set forth in the letter.

Ms. Donahue discussed with the Trustees, for informational purposes, the new rates for the MetLife dental plans to be offered to participants on a self-pay basis.

Ms. Donahue and Mr. Kallianis reviewed for the Trustees the schedule of meetings being set up for participants to learn about the benefits available.

New Business

Mr. Yu of Mitchell Titus reviewed with the Trustees his draft report of the 2011 financial statement audit of the RHCT, noting that Mitchell Titus was issuing an unqualified report. On motion by Mr. Acevedo, seconded by Mr. Burke, the Board accepted the report.

On motion by Mr. Acevedo, seconded by Mr. Kasmer, the meeting was adjourned.